

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060
(831) 427-4863

W15c

Prepared August 20, 2003 (for September 10, 2003 hearing)

To: Commissioners and Interested Persons

From: Diane Landry, District Manager
Dan Carl, Coastal Planner

Subject: Santa Cruz County LCP Major Amendment Number 1-02 Part 3 (PVUSD High School MOU) Proposed major amendment to the Santa Cruz County certified Local Coastal Program to be presented for public hearing and Commission action at the California Coastal Commission's September 10, 2003 meeting to take place at the Eureka Inn, 518 Seventh Street, in Eureka.

Summary

Santa Cruz County is proposing to change its certified Local Coastal Program (LCP) to designate a utility prohibition district and related measures at the City of Watsonville city limits within the County's coastal zone to implement the Memorandum of Understanding (MOU) between the County, the City, and the Coastal Commission related to the development of the proposed Pajaro Valley Unified School District's (PVUSD's) new high school in Watsonville.

The proposed amendment does two things. First, it puts in place a series of policies designed to prevent urban development in the farmlands, wetlands and other environmentally sensitive areas west of the City of Watsonville. This area is primarily agricultural, mostly zoned for commercial agriculture (CA), and is interlaced with significant habitat within the hills and valleys, including the fingers of the Watsonville Slough system as it wends its way to the Monterey Bay. The proposed policies provide an additional level of protection to further safeguard the rolling agricultural and habitat landscape from non-compatible development. The main way that this is accomplished is through a new utility prohibition zoning district that would apply to the boundary of the County and the City of Watsonville on the west side of Highway One in south Santa Cruz County. The new district is designed to implement a series of new LCP policies geared towards maintaining the stable urban-rural boundary at Highway One in south County. The extension of sewer and potable water utilities is prohibited across the new district.

Second, the amendment provides LUP and IP policies that describe standards for improvements to Harkins Slough Road. These standards are designed to protect the environmentally sensitive habitats of both the West Branch of Struve Slough and Hanson Slough that both cross under Harkins Slough Road in the event that the road is improved to serve development (for example, for access to the currently under construction high school).

The proposed LCP amendment fulfills the County's obligations under the MOU between the City, County, and Coastal Commission. The MOU was a result of the City LCP amendment (certified by the Commission in October 2000) that modified the LCP to allow the high school use on Area C of the City of Watsonville



California Coastal Commission

September Meeting in Eureka

Staff: D.Carl Approved by:

SCO LCPA 1-02 Part 3 MOU stfprt 9.10.2003.doc

coastal zone.¹

In general, and with some minor modifications to clarify a few areas of confusion that could lead to the proposed policies not functioning as intended, the LUP and IP policies proposed provide for an additional level of protection for the agricultural and wetland areas of south Santa Cruz County west of the City of Watsonville as required by the MOU. However, the proposed prohibition policies also include a series of exceptions that could lead to development inconsistent not only with the MOU but also with the purpose of the submitted policies, the LCP, and the Coastal Act. These exceptions, with a few deviations, derive from a list of *possible* exceptions noted in the MOU itself. The purpose of listing the exceptions in the MOU was to acknowledge certain exceptions that would not require amendment to the MOU. The purpose of the exceptions was not to specify that each would be an LCP-codified exception to the water and sewer prohibition policies. On the contrary, and as stated in the MOU, any such exceptions would need to be pursued through normal processes, and were thus given no more weight than others in an LCP context. In other words, the MOU envisioned an LCP prohibition district without any exceptions. The MOU does, however, anticipate that there may be future projects for which limited exceptions could be appropriate based on detailed analysis of the particular proposal, and thus the possibility of certain exceptions was included in the MOU. Other than the Area C high school project that precipitated the MOU, there are not now any pending projects at the current time, and the County's submittal does not otherwise include such detailed analysis of potential projects.

Modifications are suggested to eliminate the proposed exceptions because to allow them will provide growth incentives for this area west of the Highway, and thus will increase the likelihood that there will be future growth in what is a significant rural agricultural, ESHA, viewshed, and open space resource area on the rural side of the urban-rural boundary inconsistent with Coastal Act. Indeed, preventing such impacts was an overriding and fundamental policy concern addressed by the MOU and the Commission's action on the associated LCP amendment to allow for the PVUSD high school outside of the urban-rural boundary of the City of Watsonville. Allowing such exceptions at this time would be fundamentally inconsistent with this prior Commission action and the intent of the MOU. Consistent with the MOU, though, one exception for the high school is allowed. This is also consistent with the City's complementary prohibition zone, enacted pursuant to the MOU and previously certified by the Commission that is also located on the City-County boundary, albeit a subset of the County's proposed prohibition zone (the portion west of the highway in the coastal zone). It is important to note that the City's prohibition zone does not contain any exceptions other than the one to serve the high school. In other words, even were the County's proposed exceptions to be allowed, sewer and potable water utilities allowed by them would still be prohibited by the City's prohibition zone in most cases. It would require a complementary LCP amendment to weaken the City's prohibition zone for any such project to come to fruition in those locations. In any case, the suggested modifications are without prejudice to future LCP amendments and/or projects that may be pursued as exceptions to the prohibition district, and that would be evaluated on their own Coastal Act/LCP merits.

¹ The high school has since been permitted and is currently under construction. Litigation (against the City, the School District, and the Commission) associated with the coastal permit decision is still pending (*Hernandez and Reader v. City of Watsonville et al.*, Santa Cruz Superior Court No. 142326).



With the identified modifications, staff recommends that the Commission find that the proposed LCP amendment to implement the MOU can be found consistent with the Coastal Act. As so modified, staff recommends that the Commission approve the LCP amendment.

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I. Staff Recommendation – Motions and Resolutions

Staff recommends that the Commission, after public hearing, approve the proposed amendment only if modified. The Commission needs to make 4 separate motions in order to act on this recommendation.

1. Denial of Land Use Plan Major Amendment # 1-02 Part 3 as Submitted

Staff recommends a **NO** vote on the motion below. Failure of this motion will result in denial of the LUP portion of the amendment as submitted and adoption of the following resolution and the findings in this staff report. The motion passes only by an affirmative vote of a majority of the appointed Commissioners.

Motion (1 of 4). I move that the Commission **certify** Part 3 of Major Amendment #1-02 to the County of Santa Cruz Local Coastal Program Land Use Plan as submitted by the County of Santa Cruz.

Resolution to Deny. The Commission hereby **denies** Part 3 of Major Amendment #1-02 to the



County of Santa Cruz Local Coastal Program Land Use Plan as submitted by the County of Santa Cruz and adopts the findings set forth in this staff report on the grounds that the amendment does not conform with the policies of Chapter 3 of the Coastal Act. Certification of the Local Coastal Program Land Use Plan amendment would not comply with the California Environmental Quality Act because there are feasible alternatives or mitigation measures which could substantially lessen any significant adverse effect which the Local Coastal Program Land Use Plan Amendment may have on the environment.

2. Denial of Implementation Plan Major Amendment # 1-02 Part 3 as Submitted

Staff recommends a **YES** vote on the motion below. Passage of this motion will result in rejection of the IP portion of the amendment and the adoption of the following resolution and the findings in this staff report. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion (2 of 4). I move that the Commission **reject** Part 3 of Major Amendment #1-02 to the County of Santa Cruz Local Coastal Program Implementation Plan as submitted by the County of Santa Cruz.

Resolution to Deny. The Commission hereby **denies** certification of Part 3 of Major Amendment #1-02 to the County of Santa Cruz Local Coastal Program Implementation Plan as submitted by the County of Santa Cruz and adopts the findings set forth in this staff report on the grounds that, as submitted, the Implementation Plan amendment is not consistent with and not adequate to carry out the certified Land Use Plan. Certification of the Implementation Plan amendment would not comply with the California Environmental Quality Act because there are feasible alternatives or mitigation measures which could substantially lessen any significant adverse effect which the Implementation Plan Amendment may have on the environment.

3. Approval of Land Use Plan Major Amendment # 1-02 Part 3 if Modified

Staff recommends a **YES** vote on the motion below. Passage of the motion will result in the certification of the LUP portion of the amendment with suggested modifications and adoption of the following resolution and the findings in this staff report. The motion to certify with suggested modifications passes only upon an affirmative vote of the majority of the appointed Commissioners.

Motion (3 of 4). I move that the Commission **certify** Part 3 of Major Amendment #1-02 to the County of Santa Cruz Local Coastal Program Land Use Plan if it is modified as suggested in this staff report.

Resolution to Certify with Suggested Modifications. The Commission hereby **certifies** Part 3 of Major Amendment #1-02 to the County of Santa Cruz Local Coastal Program Land Use Plan if modified as suggested and adopts the findings set forth in this staff report on the grounds that the Land Use Plan amendment with suggested modifications will meet the requirements of and be in conformity with the policies of Chapter 3 of the Coastal Act. Certification of the Land Use Plan amendment if modified as suggested complies with the California Environmental Quality Act because either: (1) feasible mitigation measures and/or alternatives have been incorporated to



substantially lessen any significant adverse effects of the plan on the environment; or (2) there are no further feasible alternatives or mitigation measures that would substantially lessen any significant adverse impacts which the Land Use Plan Amendment may have on the environment.

4. Approval of Implementation Plan Major Amendment # 1-02 Part 3 if Modified

Staff recommends a **YES** vote on the motion below. Passage of this motion will result in certification of the IP portion of the amendment with suggested modifications and the adoption of the following resolution and the findings in this staff report. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion (4 of 4). I move that the Commission **certify** Part 3 of Major Amendment #1-02 to the County of Santa Cruz Local Coastal Program Implementation Plan if it is modified as suggested in this staff report.

Resolution to Certify with Suggested Modifications. The Commission hereby **certifies** Part 3 of Major Amendment #1-02 to the County of Santa Cruz Local Coastal Program Implementation Plan if modified as suggested and adopts the findings set forth in this staff report on the grounds that, as modified, the Implementation Plan amendment is consistent with and adequate to carry out the certified Land Use Plan. Certification of the Implementation Plan amendment if modified as suggested complies with the California Environmental Quality Act because either: (1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the plan on the environment; or (2) there are no further feasible alternatives or mitigation measures that would substantially lessen any significant adverse impacts which the Implementation Plan Amendment may have on the environment.

II. Suggested Modifications

The Commission hereby suggests the following modifications to the proposed LCP amendment, which are necessary to make the requisite Coastal Act and Land Use Plan consistency findings. If the County of Santa Cruz accepts each of the suggested modifications within six months of Commission action (i.e., by March 10, 2003), by formal resolution of the Board of Supervisors, the corresponding amendment will become effective upon Commission concurrence with the Executive Director's finding that this acceptance has been properly accomplished. Where applicable, text in ~~cross-out~~ format denotes text to be deleted and text in underline format denotes text to be added.

1. Delete All Proposed Exceptions and Add an Exception for the PVUSD High School.

- (a) LUP Policy 2.1.13. The following text shall be modified as indicated: "...into the San Andreas Planning Area, except for one wastewater and one water line to serve permitted high school development on City Area C, by establishing... ."
- (b) LUP Policy 2.1.13. The following sentence shall be deleted: "Exceptions to this policy are listed below in Program f (1-6)."



- (c) LUP Policy 2.1.14. The following text shall be deleted: “..., as allowed for in Program f (1-6) below, ...”
- (d) LUP Program F. The following text shall be modified as indicated: “...Utility Prohibition Strip; ~~with the following exceptions:~~ except for one wastewater and one water line to serve permitted high school development on City Area C.”
- (e) LUP Program F. The exceptions numbered as 1, 2, 3, 4, 5, and 6 shall be deleted.
- (f) IP Section 13.10.493. The following text shall be modified as indicated: “..., except for: one wastewater and one water line to serve permitted high school development on City Area C.”
- (g) IP Section 13.10.493. The exceptions lettered as (a), (b), (c), (d), (e), and (f) shall be deleted.

2. LUP Policy 2.1.16. The following text shall be modified as indicated:

- (a) “...(including ~~the proposed~~ any Highway One overpass/interchange improvements)... .”
- (b) “...to serve ~~the new Millennium High School or other~~ permitted high school development... .”

3. IP Section 17.02.081. The following text shall be modified as indicated:

- (a) “...(including ~~the proposed~~ any Highway One overpass/interchange improvements)... .”
- (b) “...to serve ~~the new Millennium High School or other~~ permitted high school development on ~~the~~ City of Watsonville... .”

4. LUP Program E. The following text shall be modified as indicated: “...a one-foot wide Pipeline Non-Access Strip along ~~both~~ all sides of any existing or future... .”

III. Findings and Declarations

The Commission finds and declares as follows:

A. Standard of Review

The standard of review for the proposed modifications to the County’s LUP is consistency with the Coastal Act. The standard of review for proposed modifications to the County’s IP is that they must be consistent with and adequate to carry out the policies of the LUP. In general, Coastal Act policies set broad statewide direction that are generally refined by local government LUP policies giving local guidance as to the kinds, locations, and intensities of coastal development. IP (zoning) standards then typically further refine LUP policies to provide guidance on a parcel by parcel level.



B. Proposed LCP Amendment

1. Description of Proposed LCP Amendment

MOU Background

At the March 16, 2000 hearing in Carmel, the Commission approved, with suggested modifications, City of Watsonville LCP Major Amendment Number 1-99. This amendment was designed to modify the City's LCP to allow for the Pajaro Valley Unified School District (PVUSD) to pursue a high school on property west of Highway One along Harkins Slough Road between Hanson and West Branch Struve Sloughs. Because of the concern that the LCP amendment would, among other things, inappropriately induce future growth in a predominantly agricultural and sensitive habitat region west of the highway (see exhibit A), the Commission adopted a range of suggested modifications. One of these suggested modifications included the requirement for adoption of an MOU designed to help address these concerns.

The City (by unanimous vote of the City Council on March 14, 2000), the County (by unanimous vote of the Board of Supervisors on March 14, 2000), and the Commission (by 10-1 vote of the Commission on June 14, 2001) agreed to execute the MOU (see executed MOU attached as exhibit B). Separately, legislation has been passed at the state level to make the MOU more legally enforceable (AB 2144; see exhibit C).

The primary intent of the MOU is to strictly limit future City of Watsonville annexations, and to strictly limit the provision of potable water and sewer services west of Highway One. The MOU also requires "right-to-farm" provisions to protect agricultural uses west of the Highway, and requires protection of environmentally sensitive habitat areas; for any school use, buffers and site design must adequately buffer habitat and agricultural resources to avoid disruption of these adjacent resources. In other words, the MOU is intended to implement many of the Commission's suggested modifications that have since been certified into the City of Watsonville LCP to add another layer of protection to coastal resources here.

Required MOU Actions

The MOU requires specific actions for each party as follows:²

For the City of Watsonville, this includes consideration of amendments to the LCP and the City's General Plan to: (1) provide a "right-to-farm" ordinance; (2) establish a one-foot wide utility prohibition district along the western boundaries of Coastal Zone Areas A, B, and C; (3) not pursue annexations (other than Green Farm) west of Highway One; and (4) for the LCP only, policies and standards to ensure protection of agricultural and environmentally sensitive habitat lands, including adequate buffer provisions.

For Santa Cruz County, this includes consideration of amendments to the LCP and the County's General Plan to: (1) establish a one-foot wide utility prohibition district along the City of Watsonville boundaries west of Highway One; (2) limit the width of any improvements to Harkins Slough Road

² Again, see exhibit B for the executed MOU.



and encourage that all Harkins Slough Road improvements provide West Branch Struve Slough habitat connectivity; and (3) place a one-foot non-access strip around any wastewater or potable water utility easements granted to the City.

For the Commission, an agreement to hold a public hearing to consider approval of any LCP amendment(s) developed by the City and County pursuant to the MOU.

As part of the LCP certification process, the City incorporated the requisite changes into their LCP as directed by the Commission's suggested modifications. The Commission certified the amended City LCP on October 12, 2000. The City's certified Utility Prohibition District is attached as exhibit D.

The County amendment that is the subject of this amendment report is the culmination of the County's efforts to date to complete their portion of MOU tasks.

Proposed Policies

The proposed amendment provides a series of policies designed to prevent urban development in the farmlands, wetlands and other environmentally sensitive areas west of Highway One and the City of Watsonville in rural south Santa Cruz County. This several thousand acre area, located roughly between Highway One and the Monterey Bay, is primarily agricultural and zoned almost exclusively for commercial agriculture (CA); a district whose objective is agricultural preservation. The land here is a combination of rolling hills and valleys, with the flatter portions primarily under agricultural cultivation, and with the steeper sections undeveloped. There are some residential uses here, particularly nearest the coast, but this area is predominantly rural, interlaced with significant habitat within the hills and valleys, including the fingers of the Watsonville Slough system as it wends its way to the Monterey Bay. See exhibit A.

The proposed policies provide an additional level of protection to further safeguard the rolling agricultural and habitat landscape from non-compatible development. The main way that this is accomplished is through a new utility prohibition zoning district that is located along the boundary between the County and the City of Watsonville on the west side of Highway One in south Santa Cruz County. The new district is designed to implement a series of new LUP policies geared towards maintaining the stable urban-rural boundary at Highway One in south County. Sewer and potable water utilities, with some proposed exceptions, are prohibited across the new district.

In addition, the proposed LCP amendment provides LUP and IP policies that describe standards for improvements to Harkins Slough Road. These specifications are designed to protect the environmentally sensitive habitats of both West Branch of Struve Slough and Hanson Slough (fingers of the larger Watsonville Slough System) that both cross under Harkins Slough Road should the road be improved in the future.³

Specifically, the proposed amendment changes the LUP as follows:

³ For example, as is currently proposed to serve PVUSD's new high school now under construction on City of Watsonville Area C.



- 1) Add new LUP Policies 2.1.12, 2.1.13, 2.1.14, 2.1.15, 2.1.16, and new LUP Programs e, f, and g to LUP Section 2.1 (Land Use and Development Framework; Urban/Rural Distinction); and
- 2) Add new LUP Policy 5.1.16 to LUP Section 5.1 (Biological Resources; Restoration of Damaged Sensitive Habitats).

The proposed amendment changes the IP in four ways:

- 1) Add new combining zoning district (the “W” Watsonville Utility Prohibition Combining District) as new IP Sections 13.10.490, 13.10.491, 13.10.492, and 13.10.493 to IP Chapter 13.10 (Zoning Regulations);
- 2) Rezone 36 affected properties to add the new “W” combining zone district;⁴
- 3) Add new IP Section 17.02.081 (Harkins Slough Road) to IP Chapter 17.02 (Urban Service Line and Rural Service Line); and
- 4) Add new condition specific to Harkins Slough Road to IP Section 16.32.090(c)(A)(11) (Environmentally Sensitive Habitat Areas; Wetlands, Estuaries, and Lagoons; Conditions)

See exhibit E for the Board resolution, exhibit F for the proposed LUP text, exhibit G for the proposed IP text, and exhibit H for the proposed rezone and “W” district map.

2. Effect of Changes Proposed

The primary effect of the new policies is to generally restrict the extension of sewer and potable water utilities from crossing the City of Watsonville city limits and extending on into the mostly agricultural and habitat areas west of the City of Watsonville, except in certain circumstances. This is accomplished by establishing a one-foot wide utility prohibition “strip” running along the City-County border across which sewer and potable water utilities are prohibited, other than for the following proposed exceptions: (1) to serve the City-owned Gilbertson parcel (under the Watsonville Airport flight path); (2) to serve all agricultural uses permitted (principal and conditional) in the CA district; (3) leachate lines to and from landfills; (4) water pipelines for environmental restoration; (5) expansion of wastewater utilities to serve City development east of Highway One (and outside of the Coastal Zone); (6) to serve City of Watsonville Areas B and C. The County prohibition zone would match up geographically with the City’s utility prohibition zone established around City Areas A, B, and C and extend both northwest and south of it (see page 4 of exhibit H for the County’s proposed zone, and page 3 of exhibit D for the City’s existing zone); the City’s prohibition zone likewise designed to strictly limit the extension of utilities to areas outside of the City.⁵

⁴ The 36 affected properties are currently zoned as follows: 25 “CA” (Commercial Agriculture) parcels, 6 “A” (Agriculture) parcels, 2 “PR” (Parks, Recreation and Open Space) parcels, 1 “SU” (Special Use), 1 “CT” (Tourist Commercial), and 1 “CA-L” (Commercial Agriculture, Historic Landmark Combining Zone). See exhibit H.

⁵ City LCP IP section 9-5.706 (Utility Prohibition Zone District); see exhibit D. The City’s complementary zone district was certified by the Commission in October 2000.



Such a prohibition zone and LUP policies should generally help to assure that County agricultural lands and ESHA areas west of the City of Watsonville and Highway One are not unduly threatened with conversion by urban uses dependent on such urban infrastructure. The new policies and the implementing combining zone district generally make these County properties instead reliant on on-site systems (wells and septic) more likely to be adequate to support small-scale agriculturally-related development where such development is appropriate (e.g., outside of ESHA).

The Harkins Slough Road specific policies proposed generally ensure that any Harkins Slough Road improvements necessary to support development of City of Watsonville coastal zone Area C (such as those proposed to serve the PVUSD high school under construction on Area C), or other coastal zone properties along Harkins Slough Road, are designed in such a manner as to protect West Branch Struve Slough and Hanson Slough ESHA areas that currently cross under Harkins Slough Road in confined culverts. The main way that this is accomplished is that such road improvements require installation of a bridge over the West Branch Struve Slough. The bridge requirement reiterates the City of Watsonville certified LCP policy requiring the same type of road improvement specifications for Harkins Slough Road. In addition, the new policies require road improvements be generally sited and designed to minimize the extent of any road improvements (e.g., limit widening), and to limit the amount of noise, lights, glare and activity visible and/or audible within the sloughs.

C. Coastal Act and LUP Consistency

In order to approve a Land Use Plan amendment, it must be consistent with the Coastal Act. In order to approve an Implementation Plan amendment, it must be consistent with and adequate to carry out the Land Use Plan.

1. Applicable Coastal Act Policies

General development siting and public service issues are mainly the purview of Coastal Act Sections 30241(a), 30250, 30252 and 30254. Coastal Act Section 30250 states:

***Section 30250(a).** New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. In addition, land divisions, other than leases for agricultural uses, outside existing developed areas shall be permitted only where 50 percent of the usable parcels in the area have been developed and the created parcels would be no smaller than the average size of surrounding parcels.*

***Section 30250(b).** Where feasible, new hazardous industrial development shall be located away from existing developed areas.*

***Section 30250(c).** Visitor-serving facilities that cannot be located in existing developed areas*



shall be located in existing isolated developments or at selected points of attraction for visitors.

Coastal Act Section 30252 states:

Section 30252. *The location and amount of new development should maintain and enhance public access to the coast by (1) facilitating the provision or extension of transit service, (2) providing commercial facilities within or adjoining residential development or in other areas that will minimize the use of coastal access roads, (3) providing nonautomobile circulation within the development, (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation, (5) assuring the potential for public transit for high intensity uses such as high-rise office buildings, and by (6) assuring that the recreational needs of new residents will not overload nearby coastal recreation areas by correlating the amount of development with local park acquisition and development plans with the provision of onsite recreational facilities to serve the new development.*

Coastal Act Section 30254 states:

Section 30254. *New or expanded public works facilities shall be designed and limited to accommodate needs generated by development or uses permitted consistent with the provisions of this division; provided, however, that it is the intent of the Legislature that State Highway Route 1 in rural areas of the coastal zone remain a scenic two-lane road. Special districts shall not be formed or expanded except where assessment for, and provision of, the service would not induce new development inconsistent with this division. Where existing or planned public works facilities can accommodate only a limited amount of new development, services to coastal dependent land use, essential public services and basic industries vital to the economic health of the region, state, or nation, public recreation, commercial recreation, and visitor-serving land uses shall not be precluded by other development.*

Protection of agricultural land is also a fundamental Coastal Act policy. The Act speaks to the need to maintain stable urban-rural boundaries to minimize conflicts between agricultural uses and urban uses, and requires the preservation of both prime and non-prime agricultural lands. In particular, the Act sets a high standard for the conversion of any agricultural lands to non-agricultural uses. Significantly, Coastal Act Section 30241 requires the maintenance of the maximum amount of prime agricultural land, to assure the protection of agricultural economies:

Section 30241. *The maximum amount of prime agricultural land shall be maintained in agricultural production to assure the protection of the area's agricultural economy, and conflicts shall be minimized between agricultural and urban land uses through all of the following:*

(a) By establishing stable boundaries separating urban and rural areas, including, where necessary, clearly defined buffer areas to minimize conflicts between agricultural and urban land uses.



(b) By limiting conversions of agricultural lands around the periphery of urban areas to the lands where the viability of existing agricultural use is already severely limited by conflicts with urban uses or where the conversion of the lands would complete a logical and viable neighborhood and contribute to the establishment of a stable limit to urban development.

(c) By permitting the conversion of agricultural land surrounded by urban uses where the conversion of the land would be consistent with Section 30250.

(d) By developing available lands not suited for agriculture prior to the conversion of agricultural lands.

(e) By assuring that public service and facility expansions and nonagricultural development do not impair agricultural viability, either through increased assessment costs or degraded air and water quality.

(f) By assuring that all divisions of prime agricultural lands, except those conversions approved pursuant to subdivision (b), and all development adjacent to prime agricultural lands shall not diminish the productivity of such prime agricultural lands.

Section 30242 establishes a general standard for the conversion of agricultural lands:

Section 30242. *All other lands suitable for agricultural use shall not be converted to nonagricultural uses unless (1) continued or renewed agricultural use is not feasible, or (2) such conversion would preserve prime agricultural land or concentrate development consistent with Section 30250. Any such permitted conversion shall be compatible with continued agricultural use on surrounding lands.*

The next section addresses protection of the soil resource itself:

Section 30243: *The long-term productivity of soils ... shall be protected....*

As to the Harkins Slough Road Policies, the Coastal Act is very protective of sensitive resource systems such as wetlands, riparian corridors and other environmentally sensitive habitat areas (ESHAs). The Coastal Act defines environmentally sensitive areas as follows:

Section 30107.5. *"Environmentally sensitive area" means any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments.*

Almost all development within ESHAs is prohibited, and adjacent development must be sited and designed so as to maintain the productivity of such natural systems. In particular, Coastal Act Section 30240 states:

Section 30240(a). *Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.*



Section 30240(b). *Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.*

Article 4 of Chapter 3 of the Coastal Act also describes protective policies for the marine environment and specifically calls out wetland resources. Coastal Act Sections 30230 and 30231 provide:

Section 30230. *Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.*

Section 30231. *The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.*

In addition, Coastal Act Section 30233(a), 30233(c) and 30233(d) specifically address wetlands protection. In particular, Coastal Act Section 30233 limits development in wetlands to a few limited categories where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects:

Section 30233(a). *The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:*

- (1) New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities.*
- (2) Maintaining existing, or restoring previously dredged, depths in existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps.*
- (3) In wetland areas only, entrance channels for new or expanded boating facilities; and in a degraded wetland, identified by the Department of Fish and Game pursuant to subdivision (b) of Section 30411, for boating facilities if, in conjunction with such boating facilities, a substantial portion of the degraded wetland is restored and maintained as a biologically productive wetland. The size of the wetland area used for boating facilities, including berthing space, turning basins, necessary navigation channels, and any necessary support*



service facilities, shall not exceed 25 percent of the degraded wetland.

- (4) In open coastal waters, other than wetlands, including streams, estuaries, and lakes, new or expanded boating facilities and the placement of structural pilings for public recreational piers that provide public access and recreational opportunities.*
- (5) Incidental public service purposes, including but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.*
- (6) Mineral extraction, including sand for restoring beaches, except in environmentally sensitive areas.*
- (7) Restoration purposes.*
- (8) Nature study, aquaculture, or similar resource dependent activities.*

Section 30233(c). *In addition to the other provisions of this section, diking, filling, or dredging in existing estuaries and wetlands shall maintain or enhance the functional capacity of the wetland or estuary. Any alteration of coastal wetlands identified by the Department of Fish and Game, including, but not limited to, the 19 coastal wetlands identified in its report entitled, "Acquisition Priorities for the Coastal Wetlands of California", shall be limited to very minor incidental public facilities, restorative measures, nature study, commercial fishing facilities in Bodega Bay, and development in already developed parts of south San Diego Bay, if otherwise in accordance with this division....*

Section 30233(d). *Erosion control and flood control facilities constructed on water courses can impede the movement of sediment and nutrients which would otherwise be carried by storm runoff into coastal waters. To facilitate the continued delivery of these sediments to the littoral zone, whenever feasible, the material removed from these facilities may be placed at appropriate points on the shoreline in accordance with other applicable provisions of this division, where feasible mitigation measures have been provided to minimize adverse environmental effects. Aspects that shall be considered before issuing a coastal development permit for such purposes are the method of placement, time of year of placement, and sensitivity of the placement area.*

In general, Chapter 3 of the Coastal Act establishes clear parameters for the location, intensity, type, and design of new development in the coastal zone. First and foremost, Section 30250(a) requires that new development be concentrated in and around existing developed areas with adequate development capacities to serve new development. Generally, public works such as water, roads and sewer systems, must be sized to serve planned development. Highway One, though, must remain a two lane scenic road in rural areas under section 30254.

The Coastal Act also establishes a set of priority uses that operate within the locational and resource constraints for new coastal development. For example, if public services are adequate to support only a limited amount of urban growth, development potential must be first allocated to coastal dependent uses, essential public services and vital industry, public and commercial recreation, and visitor serving development (Section 30254). The Coastal Act also requires that public recreational uses take precedence



over private residential and general industrial or commercial development, but not at the expense of agriculture or coastal-dependent industry (Section 30222).

There are only limited exceptions to the general development requirements of the Coastal Act. Hazardous industrial development may be located away from developed areas (Section 30250(b)); and coastal-dependent industry may be permitted outside developed areas if other locations are infeasible or environmentally damaging, and the effects of such development are mitigated (Section 30260). Under Section 30250(c), visitor-serving facilities may also be located outside of urbanized areas, but only if urban locations are infeasible for such development. Visitor-serving facilities must also be located in existing isolated development nodes or at select points of attraction for visitors.

Adequate separation between agricultural and urban uses is required. Overall, these requirements reflect a fundamental goal of the Coastal Act: to protect coastal resources by limiting new development to existing developed areas. Within this context, too, the ESHA protective policies of the Act strictly limit development within ESHA and require that adjacent development not disrupt these resources.

2. Consistency Analysis

The main objective of the LCP amendment is to strengthen the urban-rural boundary in south Santa Cruz County west of the City of Watsonville, and to direct urban development away from rural areas west of Highway One and instead into existing urbanized areas east of the Highway. In so doing, the predominantly agricultural and habitat lands between Highway One and the Monterey Bay are better protected. Given this is a rural area without public services, the Commission has consistently recognized Highway One as the urban-rural boundary; urban on the inland side and rural on the ocean side.

The secondary objective is to protect the West Branch of Struve Slough and Hanson Slough Resources should Harkins Slough Road be improved.

The proposed LCP amendment is mostly consistent in principal with the policy requirements of the Coastal Act. Directing urban services and development into already developed areas and away from agricultural and habitat lands is a fundamental Coastal Act objective, as described above. Likewise, enhancing and protecting ESHA, in this case West Branch Struve Slough and Hanson Slough resources adjacent to Harkins Slough Road, is a core Coastal Act goal. However, the proposed policies include a series of exceptions to them, and some areas of potential confusion, that are problematic and affect the ability of the proposed text to accomplish its intent.

A. Utility Prohibition Zone Exceptions

The proposed prohibition zone policies include a series of identified exceptions to them that could lead to development inconsistent with the purpose of the policies and the LCP. The County proposes to exempt the following from the prohibition, and thus allow water and sewer utilities to cross the prohibition line for: (1) the City-owned Gilbertson parcel (under the flight path of the Watsonville airport); (2) any principal and conditional use in the CA district; (3) leachate lines to and from landfills; (4) water pipelines for environmental restoration; (5) expansion of wastewater utilities to serve City development east of Highway One (and outside of the Coastal Zone); (6) City of Watsonville Area C (see proposed LUP and



IP text for exemptions noted in proposed LUP Program F and IP Section 13.10.493). These 6 proposed exceptions derive from a list of 3 possible exceptions noted in the MOU itself.⁶ See exhibit B for the executed MOU, exhibits F (page 4) and G (page 3) for the proposed exceptions, and exhibit I for the County's July 18, 2003 letter discussing the exceptions.

The purpose of listing the exceptions in the MOU was to acknowledge certain exceptions that would not require amendment to the MOU itself. The purpose of the exceptions was not to specify that each would be an LCP-codified exception to the water and sewer prohibition policies. On the contrary, and as stated in the MOU, any such exceptions would need to be pursued through normal processes, and were thus given no more weight than others in an LCP context. In other words, the MOU envisioned an LCP prohibition district without any exceptions. If, in the future, appropriate projects consistent with exceptions identified in the MOU were to be identified that conflicted with the then enacted district requirements, these possible exceptions to the district requirements could be pursued at that time.

With the exception of the high school project that specifically precipitated the MOU, the Commission is not aware of any projects pending at the current time that would require consideration of an exception, either as enumerated in the MOU or otherwise, to the prohibition district. Without such projects, and absent an analysis of their appropriateness in light of the LCP and/or Coastal Act (none has been submitted), it is premature to codify exceptions. This is particularly the case given that the exceptions proposed are broadly worded and lack specificity that could limit their applicability. In particular:

- The first proposed exception allows water and sewer to serve uses on the City-owned (but located in the County) Gilbertson parcel located under the airport flight path. This site is also located west of Highway One (i.e., the recognized urban-rural boundary). As of the date of this staff report, it is unclear what uses may eventually be proposed for this site. To state that urban services would be extended to serve uses on this site is inappropriate when this land is CA-zoned and the principal permitted use is agriculture. An exception to serve this site with water and sewer services is premature at best, and would be inconsistent with Coastal Act Sections 30254, 30241, 30243, and 30250(a) protecting agriculture, directing development to existing developed areas able to accommodate it, and maintaining a firm urban-rural boundary. The exception provides significant growth incentives for this site, directing its use to urban rather than rural agricultural development, and thus a likelihood that there will be future growth in what is now a rural area, inconsistent with the Coastal Act.
- The second proposed exception allows services to be extended to serve principal and conditional uses on CA-zoned lands. This proposed exception is very broad inasmuch as the uses, particularly the conditional uses, allowed on CA-zoned lands are many, including multi-unit residential. This proposed exception is in direct conflict with the purpose and intent of the MOU and the policy direction of the Coastal Act, particularly relating to strengthening the urban-rural boundary. As with the Gilbertson site, it would provide significant growth incentives. Except whereas the Gilbertson site is one parcel, there are thousands of acres of CA-zoned lands west of the Highway. It is these lands

⁶ Note that although not the standard of review, the MOU is the basis for the amendment submittal.



that are protected by the Coastal Act and the County LCP against non-agricultural development; it is the protection of these lands against inappropriate development that is the basis of the MOU. For similar reasons as Gilbertson, but at a much greater magnitude, an exception to serve these areas is inconsistent with Coastal Act Sections listed above. Moreover, these CA-zoned lands also include significant wetland and other ESHA resources, including fingers of the Watsonville Slough System. Growth incentives could lead to development pressure on these lands and compromised protection for the significant ESHA resources present there inconsistent with the protection afforded these resources by Section 30240, 30231, and 30233.

The County states that a primary purpose for this exception is that any delay to getting potable water to existing uses (residential or agriculture) contributes to pressures to convert these agricultural lands to residential uses (see County's July 18, 2003 letter; exhibit I). It isn't clear that this is the case. The prohibition zone does not prohibit non-potable water (such as irrigation water for agricultural fields), and it isn't otherwise clear that the lack of this exception to the prohibition zone contributes to pressure to convert this land to agricultural uses. There are rural lands throughout the County, outside of the urban-rural boundary, and outside of the urban services line, for which on-site systems (wells and septic) are the norm. If a project were to be identified, and its impacts clearly understood through normal project and environmental review, then there would be facts with which to analyze this contention; such is not the case currently. Moreover, it is not clear under what circumstances the extension of urban services to rural residential land uses would be consistent with the fundamental Coastal Act policies to establish stable urban-rural boundaries and protection agricultural rural lands from urban development.

The County also states that such an exception would assist in maintaining the viability of agricultural land, particularly if a groundwater pumping moratorium were instituted. Again, the prohibition zone is directed to potable water, not irrigation water, and sewer service. Even if a groundwater pumping prohibition were to be put in place, non-potable pipelines could deliver agricultural irrigation water. In addition, if a groundwater pumping moratorium were to be put in place because there was inadequate water to support water-intensive agriculture, it may make sense at that point to evaluate other less water intensive forms of agriculture that are more sustainable and responsive to site constraints at these locations. The point is that these are future potential issues, and they have not been addressed and/or evaluated in any type of systematic way as to clearly support the County's contention and the proposed exceptions. Absent clear evidence indicating that any particular exception would be more protective of coastal zone resources than a strict prohibition zone, it is premature to codify such an exception. Rather, the most conservative approach is warranted in light of the significance of the resources west of the highway, and the effect of weakening the urban-rural boundary in any way. To do otherwise would not be consistent with the Coastal Act Sections listed above.

- The third proposed exception, for leachate lines, is simply premature. There is no project of which the Commission is aware for leachate lines that would cross the City-County boundary and extend to the City and/or County landfills. The effect of this exception on development pressure west of the Highway is unclear. However, given the significant agricultural, ESHA, viewshed, and open space resources west of the Highway, and to err on the conservative side, it seems appropriate to not



prejudice consideration of such a future project by excepting it now. There is no environmental analysis of the effect of such a development on coastal zone resources; it may be that there is an effect that could be reduced and/or eliminated by not allowing the lines, or by an alternative project and/or routing. It is premature to make such a determination at this point, and to do so would be contrary to the Coastal Act protection afforded this rural area.

- The fourth proposed exception is for pipelines to distribute water for “environmental restoration, maintenance, or enhancement.” At face value, this seems like an exception that may be appropriate. However, it is unclear at the current time as to what type of projects may be argued to so qualify in the future. There is some interpretation that goes into such an assessment. For example, as an example, suppose a project were proposed where a system of sewer lines would be placed seaward of the highway so that existing residences in the area could abandon their septic systems. Such a project could arguably enhance nearby environmental resources (such as the slough system) by eliminating septic system discharge to them. It could be argued that such sewer lines met this proposed exception. However, a consequence would be that there would be significant urban infrastructure in a rural area which would greatly increase development pressure on these lands. Such would be the case even if the proposed legal mechanisms (such as the proposed non-access easements) were put in place surrounding such extensions inasmuch as the physical improvements would be in the ground and would make it that much easier for development to occur; even if it meant modifying the easement, and particularly if there was some community goal at stake (for example, provision for affordable housing). Again, the basis for, and the effect of, the proposed exception at the current time is unclear. It is possible, as shown in the example above, that the exception could provide growth incentives for the area west of the highway, and thus a likelihood that there could be future growth in what is now a rural and ESHA area, inconsistent with Coastal Act Sections described above.
- The fifth proposed exception allows an expansion of a main wastewater utility line between the City of Watsonville east of the Highway and the City’s wastewater treatment plant west of the Highway to accommodate future growth inland of Highway One within the City. As with the other exceptions, the Commission is unaware of any such project. Moreover, the impacts of additional growth in the City east of Highway One on coastal zone resources are unclear. As detailed above, there is no environmental analysis of the effect of such development, and it may be that there is an impact that could be reduced and/or eliminated by not allowing such growth and/or by addressing wastewater differently. It is premature to make such a determination at this point, and to do so would be inconsistent with the Coastal Act protection for the significant coastal zone resources west of the Highway, including the Watsonville Slough system and the Pajaro River adjacent to the City’s wastewater treatment plant, the Monterey Bay where treated effluent ultimately makes its way, and the rural agricultural lands seaward of the Highway.
- The sixth proposed exception allows water and sewer service to extend to City Coastal Zone areas B and C. Area C is the PVUSD high school site, and services are to be extended to serve it along Harkins Slough Road, across the City-County boundary. The Commission and City conceptually agreed to this location for the utility extensions when the City approved the coastal permit for the high school, and the Commission declined to take jurisdiction over it at their October 2001 hearing. While



these off-site improvements have yet to be permitted by the County, it is clear at this point that an exception to serve the high school under construction is appropriate, consistent with all measures to limit other access to these lines. The proposed exception is vague, however, and doesn't refer specifically to the already permitted and under construction high school project. A modification is suggested to ensure that it is only the high school project that is served (see suggested modification 1). As to Area B, it is entirely premature to presuppose what type of development will eventually be proposed on this undeveloped land. Area B consists of a vacant 4.2 acre site. Though used for agriculture in the past, the site has lain fallow for some time. The City LCP's principal permitted use for the subject site is agriculture. Exceptions for utility extensions would allow for sewer and water service to a vacant agricultural parcel west of Highway One. The subject parcel also supports an unnamed wetland. The City LCP provides strong policy direction to protect ESHA and agricultural lands, and to maintain the rural agrarian character of the small portion of the City, including the subject parcel, that lies west of Highway One. The City LCP identifies Highway One as the urban-rural boundary. The City LCP's public works policies specifically discourage the provision of sewer and water service west of the Highway for these reasons, and require that such services only be provided in conjunction and sized in accordance with the development that they are to serve. It is inappropriate, and contrary to the Coastal Act Sections listed above to allow an exception to serve Area B at this time.

A common theme with the proposed exceptions is that, other than the high school, they are for as yet unknown projects. If, in the future, specific projects are proposed for which an exception to the prohibition zone is necessary, such exception would need to be considered at that time based on the merits of any particular case. To do so now, outside of the normal application review and analysis process, would be premature and inconsistent with the Commission's understanding of the MOU, and could lead to unknown negative impacts to the coastal resources meant to be protected contrary to the LCP and the Coastal Act.

Furthermore, it is important to note that even were the proposed exceptions to be adopted, the same exceptions are not found in the complementary City prohibition zone (enacted pursuant to the MOU and previously certified by the Commission). The City's prohibition zone does not contain any exceptions other than the one to serve the high school (see exhibit D). In other words, an exception on the County side of the line does not negate the straightforward prohibition zone on the City side of the line. Of course, because the City's prohibition zone extends only along the City-County boundary at Areas A, B, and C in the coastal zone (i.e., a subset of the County's proposed zone – see exhibit D), the County's exceptions could allow for utility extensions through the City that skirted the City's prohibition zone.

In any case, the double growth-inducement protection (of two prohibition zones) and the additional protection afforded by requiring non-access easements surrounding any such urban services allowed, was one of the reasons the Commission allowed the City's LCP to be modified to allow the high school development west of the highway. The coastal zone resources west of the highway are of such import that the Commission found it necessary to provide as many protections as possible against inappropriate development in this area, including severely limiting potential urban service and infrastructure that could provide significant growth incentives. Such growth incentives increase the likelihood that there will be



future growth in what is now a significant rural agricultural, ESHA, viewshed, and open space resource area, inconsistent with Coastal Act. In the event one such link in the urban-rural boundary armor were to be breached, backup systems would be in place to reduce the effect of such a breach.

Therefore, modifications are suggested to eliminate the exceptions from the proposed policies. Such modifications are without prejudice to future LCP amendments and/or projects that may be pursued as exceptions to the prohibition district, and that would be evaluated on their own Coastal Act/LCP merits. Consistent with the previously certified City LCP prohibition zone, consistent with the primary intent of the MOU, and consistent with the City's coastal permit authorizing the high school on Area C (under construction), one exception to serve the high school development is allowed. This one exception is worded to match the City LCP and City coastal permit requirements designed to limit such utility line sizing and placement. See suggested modification 1.

B. Clarifications to LUP Policy 2.1.16 and IP Section 17.02.081

Proposed LUP Policy 2.1.16 and IP Section 17.02.081 include wording that could be read to limit their applicability unintentionally. Specifically, these policies refer to "New Millennium High School" and "the proposed Highway One overpass/interchange improvements." The PVUSD high school under construction is no longer named New Millennium High School, but rather is now referred to by PVUSD as Pajaro Valley High School. It is not clear at the present time whether this name will be the name ultimately bestowed on the high school, as there has been controversy over what would be the most appropriate name for the school. Since the name of the school may change, the reference in these policies is modified to ensure that the policies apply, as intended, to the high school development as opposed to a specifically named project. This will ensure that any re-naming does not have the unintended consequence of potentially negating policies designed to provide for development in support of the high school. This is accomplished by simplifying the reference so that it applies to all permitted high school development on Area C regardless of the name of the school.

Similarly, the intent of these policies is that they be applicable to Highway One improvements that may occur to the overpass at Harkins Slough Road. While there have been conceptual plans, nothing is formally proposed or pending at this time. As written, the policy could be read to apply to the project proposed at the time the policy was written, and not to the a future project. So as to ensure that the policy is applicable to any improvements to the overpass as intended, the policy is modified at accomplish this.

See suggested modifications 2 and 3.

C. One-Foot Pipeline Non-Access Strips

Proposed LUP Program E contains an internal inconsistency where it refers in part of the text to non-access strips being applied along "both sides" of any pipelines allowed. This is different from the text proposed in Policy 2.1.15 and another portion of Program E asserting that the strips shall thus "completely surround" such pipelines (see exhibit F for proposed text). Any such easements that do not completely surround the pipelines may allow for a connection that otherwise would not be allowed because there is a virtual "gap" in the non-access strip. Fortunately, and consistent with the overall intent of the LCP amendment package, this issue can be easily addressed by ensuring that all such references refer to non-



access easements that completely surround any such pipelines (see suggested modification 4).

D. Conclusion

The Commission must determine whether the LUP with the proposed amendment is consistent with the Coastal Act. For the most part, the proposed LCP amendment is generally consistent in principal with the policy requirements of the Coastal Act. Directing urban services and development into already developed areas and away from agricultural and habitat lands is a fundamental Coastal Act objective, as described above. Likewise, enhancing and protecting ESHA, in this case West Branch Struve Slough and Hanson Slough resources adjacent to Harkins Slough Road, is a core Coastal Act goal.

Towards this end, the proposed new policies are generally well written and mostly consistent with the Coastal Act. However, the proposed policies include a series of identified exceptions to them that could lead to development inconsistent with the purpose of the policies and the LCP. Specifically, the proposed amendment to the LUP allows for overly broad exceptions absent corresponding understanding of their implication, and lacks clarity in a few places, and therefore consistency with the cited policies of Chapter 3 of the Coastal Act is not guaranteed. It is also not consistent with the Commission's understanding of the MOU. As such, the proposed LUP amendment must be denied as submitted. Since the proposed IP amendment fundamentally mimics the proposed LUP changes, and since the LUP amendment must be denied, so too must the IP amendment. Otherwise, it allows for adverse impacts to habitat and agricultural lands not allowed by the currently certified land use plan, and not envisioned by the MOU.

Fortunately, there are modifications that can be made to address the identified issues and thereby maintain a stable urban rural boundary and protect rural agricultural land, wetlands (such as West Branch Strive Slough and Hanson Slough adjacent to Harkins Slough Road), and other environmentally sensitive habitat areas by ensuring that there will be no extension of urban services along the western boundary of the City of Watsonville and by providing for concentrated urban development within the City of Watsonville city limits. Such modifications also ensure that the objectives of the MOU are realized.

In conclusion, if so modified in all of the ways outlined here according to the cited modification texts, then the LUP as amended by the proposed amendment, and as further modified as suggested above and in the cited modification texts, is approved as satisfying Coastal Act Chapter 3 policies as discussed in this finding. Similarly, if so modified in all of the ways outlined here according to the cited modification texts, then the IP as amended by the proposed amendment, and as further modified as suggested above and in the cited modification texts, is approved as being consistent with and adequate to carry out the certified LUP as amended.

D. California Environmental Quality Act (CEQA)

The Coastal Commission's review and development process for LCPs and LCP amendments has been certified by the Secretary of Resources as being the functional equivalent of the environmental review required by CEQA. Therefore, local governments are not required to undertake environmental analysis of proposed LCP amendments, although the Commission can and does use any environmental information that the local government has developed. CEQA requires that alternatives to the proposed action be reviewed



and considered for their potential impact on the environment and that the least damaging feasible alternative be chosen as the alternative to undertake.

The County in this case exempted the proposed amendments under CEQA. This report has discussed the relevant coastal resource issues with the proposal, and has recommended appropriate suggested modifications to avoid and/or lessen any potential for adverse impacts to said resources. All public comments received to date have been addressed in the findings above. All above Coastal Act findings are incorporated herein in their entirety by reference.

As such, there are no additional feasible alternatives nor feasible mitigation measures available which would substantially lessen any significant adverse environmental effects which approval of the amendment, as modified, would have on the environment within the meaning of CEQA. Thus, if so modified, the proposed amendment will not result in any significant environmental effects for which feasible mitigation measures have not been employed consistent with CEQA Section 21080.5(d)(2)(A).

